



# SUCCESSION PLANNING

A GUIDE TO HELP HOSPITAL AND HEALTH  
SYSTEM LEADERS PLAN FOR THE FUTURE

2022



# Introduction

Succession planning can feel like a luxury, even in the best of times. The AHA connected with hospital leaders across the country to understand how they are integrating talent development and succession planning into their culture and operation. The challenges and opportunities identified are presented in this report to help hospitals and health system leaders prioritize and support a robust and comprehensive succession planning program.

Particularly over the last two plus years, succession planning may have struggled to garner leadership attention amidst significant challenges associated with the pandemic. But given the talent shortages, turnover and retirements, the talent landscape in health care is rapidly shifting and efforts are needed to consider and plan for the future of leadership.

## Value of Succession Planning

While succession planning may feel challenging in the current environment, organizations that do not make time for ongoing focus on the future of their leadership may find themselves in difficult situations. For example: splitting responsibilities among existing leaders, overloading exhausted leaders with additional disparate duties, or scrambling to fill key leadership roles with external hires, often comprise the culture and performance of their organization. Others may opt to leave key leadership roles open for extended periods of time, which can exacerbate challenges within departments and reporting structures and performance as well as create difficult, untenable working conditions. On the flip side, seeking to fill key leadership roles with limited planning or forethought can negatively impact organizational culture as well as diversity, equity and inclusion initiatives as organizations seek to quickly fill a role rather than consider the alignment of talent needs with strategic initiatives.

**“Succession planning is the process of identifying the critical positions within your organization and developing action plans for individuals to assume those positions. Taking a holistic view of current and future goals, this type of preparation ensures that you have the right people in the right jobs today and in the years to come.”<sup>1</sup>**

However, you do not need a complete leadership development program or complex talent planning processes to develop a perspective on succession planning for your organization. Based on input from hospital and health system leadership, AHA, in partnership with talent management firm, STS, has compiled a guide to evaluating your organization’s current state for succession planning and identifying key factors for developing or enhancing your program.

## Who to involve:

Key members to include in this and other ongoing talent discussions are your senior leadership team and critical functional leaders across the organization. For example, service line leaders, clinical and non-clinical department leaders as well as your human resources colleagues will have vital input.

This work will require ongoing effort and shared responsibility from the entire leadership team, it cannot live within human resources alone. As you begin this work, identify opportunities for leaders to evaluate current talent and potential within their teams as a key aspect of their leadership.

1. <https://hr.uw.edu/pod/organizational-excellence-and-development/organizations/succession-planning/>

# How to start:

Begin with reflection and a candid discussion with your leadership team:

- What is our strategy and what capabilities do we need to be successful?
- Given the strategy and what we know about our culture, ask each leader to, in coordination with colleagues, clearly articulate needed competencies for key leadership functions, particularly those competencies that will be different in the future. Consider — What will the organization need for the next leader in this role to do differently in order to be successful? Based on what we know today, what will likely stay about the same?
- Set up time to evaluate your current state and to underscore that succession planning and talent development is owned by the leaders of your organization. Below are key questions to guide the discussion:

## Diagnostic questions:

### 1. Who owns and runs succession planning; our leadership team or the human resources function?

- How often does the leadership team meet to review and update the succession list?
- What tools and resources do you already have available for supporting these discussions and these efforts on an ongoing basis?
- How robust is our approach for determining “readiness”?

### 2. Can we name the critical roles that are required for our organization to be successful?

- Can you name the candidates on the succession plan for these critical roles?
- How deep is the candidate list for each critical role?

### 3. Can we list the key criteria for determining “ready now” candidates for these critical roles?

- How often are these criteria reviewed, discussed and updated?
- How collaborative is the process to build these criteria?

### 4. How are succession candidates identified?

- How regularly is their developmental progress evaluated?
- Can we name the key strengths and development areas for each succession candidate?
- Can we specify how each candidate is being developed? How they’re progressing?
- What accountability measures are in place for the candidates? Their leadership?
- Do we know the career goals or career aspirations of members of our teams?

### 5. What leaders in roles today are a direct product of our succession planning efforts?

- How would they critique the quality/effectiveness of our efforts?

**“I think part of it is just identifying talent early. Identifying the personalities and the type of people you want in these roles before they know it. And then giving people opportunities.”**

**David Perlstein, M.D., president and CEO,  
SBH Health System**

# Keys to Ensuring Successful Planning

As you embark on these discussions with the leadership team, below are some markers to identify whether you have effective initiatives in place for developing and retaining leadership in your organization.

- Succession planning is owned by senior management and informed and supported by lives beyond human resources
- Senior leaders do not delegate succession planning responsibility but are actively involved in the process
- The organization's succession plan has an assortment of identified candidates with development plans that are well supported and regularly reviewed
- Succession planning is a regular discipline and agenda item for the senior team and not an annual event
- Senior leaders can provide specific details about critical elements of the process and the candidates
- It is a regular and rigorous practice of collaboratively identifying and developing key talent as opposed to a collection of processes and tools
- The organization's succession plan is treated as a vital strategic document
- The organization's succession plan is invoked to fill key vacancies
- Candidate evaluations do not change significantly over short periods of time or due to one person's opinion

While succession planning and ongoing talent development efforts may compete with other priorities, initiating efforts to support succession planning does not need to wait for a fully realized initiative or program to make an impact and shift how you and your leaders are considering the future. The impact of the pandemic has shifted the landscape of work, and ensuring you are prepared will be more essential than ever. Equipping your organization's leadership to be prepared for the future may feel like a luxurious look ahead, but the need may arise sooner than anticipated.

The AHA's [Workforce Strategy Guide](#) includes resources across the spectrum of supporting and developing the current workforce as well as growing the workforce for the future.

## Additional Resources

The AHA has many resources available to guide hospitals and health systems in growing and developing physician leaders, strengthening and retaining their current workforce, and lessons learned from members on their leadership development journey.

### Growing and Developing Physician Leaders

#### AHA Physician Leadership 360

As physicians move into senior leadership roles within their organizations, they bring a fresh and relevant perspective to the challenges of delivering high-quality, high-value care. For many, the role of leading and managing collaborative teams across multiple departments requires an entirely new set of skills and behaviors than their medical training prepared them for. The AHA has designed AHA Physician Leadership 360 to help both hospitals and their physicians identify opportunities for leadership development, and turn that opportunity into action.

**“I very much believed that a lot of the success in succession planning and in growing new leaders is about the culture of your organization and ensuring as leaders, we are doing what we can to support and grow our staff.”**

**Mohammad Agha, M.D., medical director, Care Coordination, SSM Health**

## INFOGRAPHICS

- **Qualities needed in a physician leader**
- **Physician leader characteristics**

### **American Organization for Nursing Leadership (AONL) Education Programs**

Deepen your knowledge and develop in-demand skills with AONL education opportunities. Whether you're an emerging or experienced leader, AONL's professional development programs provide advancement for all career levels.

## PODCAST

### **Questions with Physician Leaders: Dr. Mohammad Agha**

More so than ever, clinicians are making the move into leadership positions. As this movement occurs there are many ways these new leaders can make impacts in their organizations not only in addressing workforce challenges but also in increasing diversity and inclusion of health care teams.

## **Strengthening and Retaining the Workforce**

### **Strengthening the Health Care Workforce**

Strategies for Now, Near and Far: The health care workforce is our most precious resource. Hospitals and health systems are committed to supporting them today, preparing them for tomorrow and building a pathway for the future. This report, developed under the guidance of the AHA Board of Trustees' Task Force on Workforce and with input from many members of the AHA, will help hospitals navigate workforce challenges and opportunities, as well as highlight strategies and resources to assist on these pivotal efforts.

## PODCAST

### **Addressing Workforce Challenges in America's Health Care Systems**

A talented, qualified, engaged and diverse workforce is at the heart of America's health care system. But hospitals and health systems face mounting and critical staffing shortages that could jeopardize access to care in the communities they serve. As hospitals struggle to retain and support an exhausted workforce, they are left looking for unique ways to better support and enhance resilience among clinicians and to address the traumatic stress caused by COVID-19.

## PODCAST

### **Sustaining a Healthy Workforce with Phelps Health**

The COVID-19 pandemic has had a devastating impact on the health care workforce. Despite these challenges, the staff team at Phelps Health continue to grow through a series of initiatives designed to create a culture of trust and bring all staff members into crucial decision-making processes. Jason Shenefield, CEO at Phelps Health in Rolla, Missouri shares innovative approaches Phelps Health has taken to grow and sustain a healthy workforce.

## **Leadership Lessons from Members**

### **Leading SBH During COVID-19: Lessons Worth Learning**

New York faced unprecedented challenges in response to the COVID-19 pandemic. This resource explores how SBH Health System managed the situation while also ensuring the well-being of their staff during times of great stress and uncertainty.